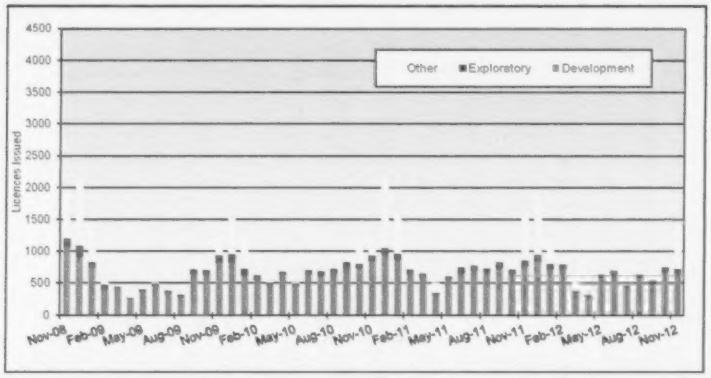
December 2012 Industry Activity Report

Monthly Well Licences

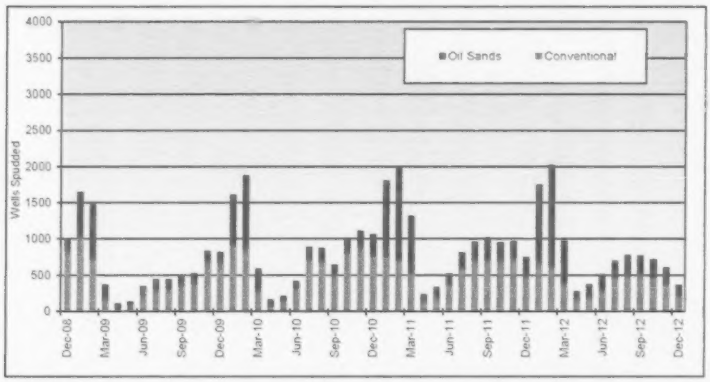


During January-November there were 18% fewer licences compared to this period last year. Exploratory licences issued over this 11-month period decreased 27% from last year, while development licences decreased 14%.

2012	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Development	733	727	359	287	593	635	431	583	498	681	636		6163
Exploration	77	77	36	26	27	52	44	58	51	70	91		609
NPW	41	32	15	8	12	16	18	16	14	26	39		237
NFW	1	1	1			2			3		1		9
DPT	12	14	8	14	5	21	10	19	12	9	25		149
Outpost	23	30	12	4	10	13	16	23	22	35	26		214
Exper. & Eval. Licences	400	78	119				3	2	2	61	731		1396
Total	1210	882	514	313	620	687	478	643	551	812	1458		8168

Source: Energy Resources Conservation Board

Alberta Wells Spudded (estimates)

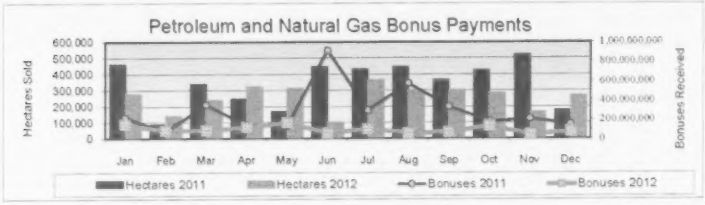


The Energy Resources Conservation Board reported 9,864 spuds in 2012, down 16% from the 11,705 spuds reported in 2011.

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2008	Conventional	1393	1498	562	91	181	680	1104	1040	992	1230	1143	831	10,745
	Oil Sands	1370	1865	810	70	44	170	192	174	185	220	215	181	5,496
2009	Conventional	1010	719	150	40	83	231	308	307	348	370	664	674	4,904
	Oil Sands	641	756	218	69	52	117	136	137	147	161	171	146	2,751
2010	Conventional	908	860	271	66	143	318	714	674	487	795	879	756	6,871
	Oil Sands	706	1018	321	97	73	103	177	204	164	210	233	309	3,615
2011	Conventional	747	693	529	122	181	366	594	695	706	686	734	487	6,540
	Oil Sands	1065	1308	789	119	153	159	218	269	312	269	237	267	5,165
2012	Conventional	666	622	381	147	180	285	440	493	504	469	375	212	4,774
	Oil Sands	1089	1398	598	129	193	231	260	287	274	250	230	151	5,090

Source: Energy Resources Conservation Board

Petroleum & Natural Gas & Oil Sands Land Sales



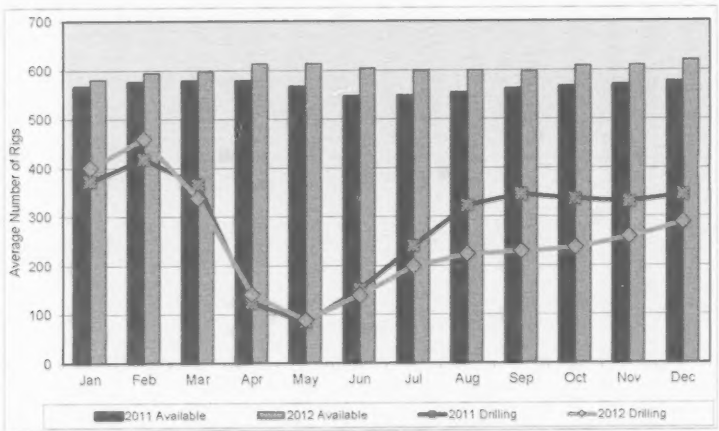
Land sale revenue in 2012 totalled $1.12 billion ($354.49/hectare). This year's earnings were down 69% from last year's record setting $3.6 billion ($790.33/hectare)

Petroleum and Natural Gas Rights	Dec-12	Dec-11	YTD 2012	YTD 2011
Bonuses	$71,248,810.22	$145,621,531.32	$1,110,114,528.41	$3,536,327,739.48
Hectares	267994.04	173950.62	3083175.28	4109573.55
Average Price per Hectare (Cdn$)	$265.86	$837.14	$360.06	$860.51

Oil Sands Rights	Dec-12	Dec-11	YTD 2012	YTD 2011
Bonuses		$55,698,572.33	$10,707,641.28	$104,684,641.78
Hectares		29108.14	78578.84	497378.79
Average Price per Hectare (Cdn$)		$1,913.50	$136.27	$210.47

Source: Alberta Department Energy

Alberta Rig Activity

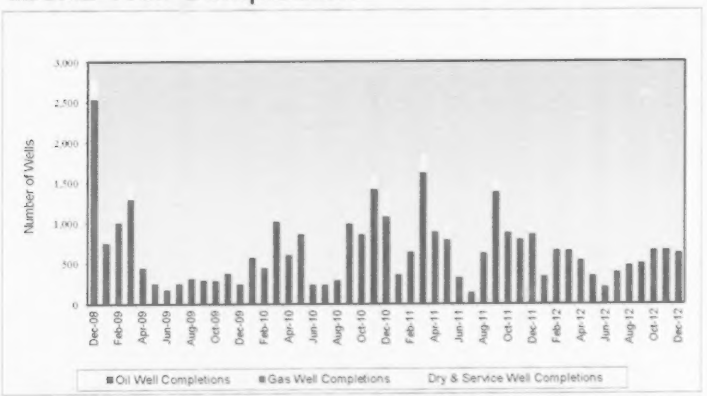


In 2012, fleet utilization of Alberta's 603 rigs averaged 41%, and the active rig count was 250. Fleet utilization in 2011 averaged 51% with 286 rigs working from an average fleet size of 564 rigs.

December	Drilling	Down	Available	Rig Util. Dec-12	Rig Util. Dec-11
Alberta	287	333	620	46%	60%
Saskatchewan	76	67	143	53%	66%
British Columbia	39	13	52	75%	65%
Northwest Territories		1	1		
Manitoba	10	15	25	40%	96%
Canada	412	429	841	49%	63%

Source: Canadian Association of Oilwell Drilling Contractors

Alberta Well Completions



Industry reported 6,915 well completions in 2012, down 35% from last year's 10,609 completions.

Oil well completions in 2012 were down 15% from 2011, while gas completions decreased 66%.

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2008	Oil Wells	270	158	263	309	174	68	176	262	414	297	272	613	3,276
	Gas Wells	1370	610	952	897	322	202	554	372	1084	937	1075	1929	10,304
	Dry & Service	99	54	175	196	223	83	111	70	200	241	136	247	1,835
2009	Oil Wells	156	116	321	111	71	36	79	101	146	132	169	121	1,559
	Gas Wells	606	899	979	342	187	143	178	217	155	160	212	127	4,205
	Dry & Service	96	120	230	73	81	42	49	61	54	35	63	35	939
2010	Oil Wells	253	144	397	198	400	126	131	168	357	402	999	676	4,251
	Gas Wells	324	308	632	418	462	117	110	135	638	461	847	403	4,855
	Dry & Service	62	79	141	6	51	41	26	43	59	46	169	294	1,017
2011	Oil Wells	226	353	650	419	602	209	105	451	1030	626	559	568	5,798
	Gas Wells	145	294	974	472	196	124	43	183	356	259	243	299	3,588
	Dry & Service	42	127	222	112	160	100	97	94	145	19	32	73	1,223
2012	Oil Wells	215	489	516	405	296	205	348	380	447	588	533	523	4,945
	Gas Wells	131	181	146	141	62	12	46	98	65	81	137	110	1,210
	Dry & Service	35	48	55	126	128	37	94	63	12	23	80	59	760

Source: Daily Oil Bulletin, Nickle's Energy, Information, and Technology
For further information, visit www.nickles.com